

## **complaint**

Mrs K complains that The Prudential Assurance Company Limited (“Prudential”) has changed the amount that would be provided by her investment plan in the event of her death.

## **background**

Mrs K took out an investment plan with Prudential in 2013. The plan included life assurance for her.

In 2014, Prudential wrote to Mrs K to say it had quoted the wrong sum assured on the policy schedule she had been sent after she had been sold the bond. This said that the sum assured in the event of death was 101% of the bid value of her investment. But this should have been 100.1% instead. Prudential sent Mrs K with a revised policy schedule.

Mrs K complained as she thought Prudential was trying to change the terms and conditions of her investment.

Prudential said that the death benefit the policy would have provided was always 100.1%. This was quoted on the illustration Mrs K was given before she agreed to take out the bond, and would have been discussed with her financial advisor. It said it wasn't trying to change the terms of her bond, it had quoted the wrong figure in one document sent to Mrs K after she had taken out the bond. It apologised for making this mistake and offered to pay Mrs K £50 for the upset caused.

Our adjudicator didn't think Mrs K's complaint should be upheld. She said that although Mrs K's policy schedule gave the wrong information, other documents such as the key features document and plan summary said it would pay out 100.1% of the bid value on Mrs K's death, rather than 101%. The adjudicator said Prudential's offer of £50 was reasonable in the circumstances, and didn't think it should change the bond's terms and conditions because of the mistake.

Mrs K thought that Prudential should honour the conditions that she signed for. She said Prudential had broken its contract with her.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Prudential has accepted that it made a mistake on the policy schedule it sent Mrs K. It said that the amount her plan would pay out if she passed away would be 101% of her plan value, when it was actually 100.1%

But this isn't a change to the terms of Mrs K's plan. The sum assured was always 100.1%. This is set out in the key features document which, to the question '*What happens to my plan if the person covered dies?*', says: '*We will pay out 100.1% of the plan value.*'

Both Mrs K's illustration for the plan, and her plan summary document say: '*We will pay out on death of the person covered an amount of 100.1% of the full plan value.*'

The policy schedule with the wrong figure on was sent to Mrs K after she had agreed to take out the plan, so I can't say that she accepted in on the basis of that mistake.

Prudential has offered to pay Mrs K £50 for the upset she was caused through this mistake, and I think that's a fair resolution to her complaint. I don't think Prudential should be required to provide the 101% when that was not a condition of the plan Mrs K took out.

**my final decision**

My decision is that I don't uphold this complaint.

Cathy Bovan  
**ombudsman**